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FLOOR DEBATE

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 LR 319, 327

thirty-three tenths of a percent to fund any difference between what we might expect and what actually occurs. For those persons who make more than about \$20,000, it's actually \$19,954 if you want to know the exact amount. The current contribution rates are 12.288 in the aggregate, giving us a substantially larger margin between the indicated contribution rate of 10.75 and the actual contribution rate. I think that we can...we can do what we're proposing to do in this particular instance. I think it's a good improvement to the state employees' plan. I'm not as concerned about Senator McDonald about whether or not we changed the vesting schedule and thereby hold out a carrot for individuals so that they would stay with us for six years. I am far more interested in whether or not they think we have an adequate retirement plan and will stay for us for the long term, not just for six years. And I am far more focused on those persons who will...you know, Senator McDonald, I think you're suggesting that we should defer vesting so that they'll stay with us for six years, and then after six years, then the retirement plan in and of itself would have to offer benefits that they would find attractive or we would have to offer wages that would be attractive in order to keep them here. The problem with the current plan is that the benefit, after we've held them there for six years, anticipating some benefit in trying to get vested is not adequate. So it is not an incentive to continue employment, or not as good an incentive...I shouldn't characterize it...as it should be to continue employment after that vesting occurs. I think we have a lot at stake in terms of keeping people after they have vested, and one of the ways to do that is to provide an adequate benefit.

SPEAKER KRISTENSEN: While the Legislature is in session and capable of transacting business, I propose to sign and do hereby sign LR 319 and LR 327. Further debate on advancement. Senator Cunningham.

SENATOR CUNNINGHAM: Thank you, Mr. Speaker and members. I'd like to ask Senator Bruning a question, please.

SPEAKER KRISTENSEN: Senator, would you respond?

SENATOR BRUNING: Yes, I will.